

HOW THE GOVERNMENT REGULATED PRICES

When War Was Declared Dealers Were
Forced to Advance Values but These
Were Soon Brought Down

A GROCER'S COMMITTEE

Sugar Made a Great Problem for the Government to
Solve, But They Went to Work Immediately
and Straightened Out the Tangled Skein.

(Exclusive Leased Wire to The Journal of Commerce.)
New York, November 9.—Arthur J. Gillis, Secretary of the Grocers' Federation of Great Britain in the current issue of the National Retailers' Bulletin of the National Retail Grocers' Association tells of the part played by the British Government in controlling food prices after the start of the war. Mr. Gillis said in part:

"When, on August 3rd of the present year, which was what is known as a 'Bank Holiday,' the British nation awoke, through the speech of Sir Edward Grey, her Foreign Minister, to the fact that they were actually at war, a remarkable condition of things arose.

"On the morning of August 4th, when grocers opened their shops they went through that and the two or three succeeding days inundated by the most prosperous section of the wealthy and of the working classes. Demands were made for supplies of goods in abnormal quantities; ladies drove to the grocers' shops in motor cars, asking for a case (100) of cube sugar, for one or two sides of bacon, for hams (250 pounds), of flour, and other things on a similar scale.

"This panicky state of things naturally alarmed every store-keeper. The more thoughtless acted as if the millennium had arrived, and that they were to make fortunes in a day. They parted with their stocks at the normal prices in most cases. The shrewder ones, however, put up prices to such extent that 20 cents per pound was paid for white granulated sugar, 24 cents per pound for lump sugar, 24 cents per pound for bacon, 48 cents per stone (14 pounds) for flour, and similarly wild charges.

"In anticipation of some such state of things, the Grocers' Federation submitted a proposal to the Cabinet that a committee of prominent grocers should be formed, who out of their experience should make recommendations to the government as to maximum prices. This voluntary action was gladly accepted and a strong committee, including the proprietors of the principal 'chain store' businesses and members of the Grocers' Federation, was formed within two days, and on August 8th the government issued, on behalf of this committee, the following announcement:

"To meet the position caused by the abnormal conditions, the following prices are recommended as maximum retail prices for August 7, 8 and 10. Further announcements will be made on August 11th. It is hoped with the assistance of the government, that the difficulty in obtaining supplies may be speedily overcome.

"Sugar 9 cents; lump sugar 10 cents; butter 26 cents; cheese (Colonial) 18 cents; lard (American) 16 cents; margarine, 20 cents; bacon (Continental), by the side, 32 cents; bacon (British), by the side, 36 cents."

This statement was published in the daily and weekly press throughout the Kingdom, and had a wonderful effect in allaying the anxiety of thrifty housewives, and still better, in stopping the looting of grocery shops. These prices were adopted very generally as to the maximum. The fierce competition between the "chain shop" stores and the co-operative societies, however, brought a lower margin of prices in ordinary business, and at least one-third less than the maximum above quoted.

It was discovered very soon that the article concerning which there was most anxiety was sugar. Prior to the war the normal consumption of sugar was 50,000 tons weekly, and as two-thirds of this came to a dead stop. About July 26 German and Austria had forbidden its exportation, and quantities of sugar which were actually loaded into the vessels for despatch from German and Austrian ports were detained, and have never yet crossed the sea. This led to great confusion among the retail distributors. Every one tried to get his August contract deliveries, but in vain, and this caused the wholesale price to rise very rapidly, as much as \$16 per cwt. (112 pounds), was asked and obtained for white refined sugar. Obviously to retail such sugar at 9 cents per pound was a very unprofitable proceeding.

The government promptly realized this danger, and to meet it went into the market and became buyers of unrefined sugar on a very large scale, so that by the end of August the government was the largest holder of unrefined sugar in the United Kingdom. It then set up a Royal Commission on sugar supplies, through which the government could be advised as to the sugar markets, and to keep the British refiners supplied with the unrefined article, so that they might work at full time and turn out refined sugar for home consumption.

Unfortunately the capacity of the British refiners is only equal to the supply of about two-thirds of the normal quantity required by the consumer. These high prices, however, attracted some sugar from America, from Italy and from Spain, but even these new sources of supply were quite unequal to the normal demand.

The government therefore arranged for British refiners to turn out granulated sugar at from \$7.50 to \$10 per cwt., and fixed the minimum prices at which sugar should be retailed at 7.50 cents for granulated, and 150 cents for lump sugar, this being an endeavor to check the consumption by raising prices.

RE-OPENING OF COTTON EXCHANGE

New York, November 9.—The date of the re-opening of the New York Cotton Exchange will not be announced to-day, according to officials of the Exchange.

Members are still signing the agreement necessary in the Corporation Syndicate plan. As a formality these papers must be referred to the 15 banks who are providing the necessary funds. This will be done so that the banks may ascertain that everything is in accordance with the understanding with the Exchange and is purely a perfunctory affair. The date of re-opening the Exchange will then be announced. It is believed these formalities will be completed shortly and date of re-opening made public later in the week. Brokers believe that unrestricted trading will commence next Monday.

The Exchange having incorporated the provisions of the Lever Bill practically into the by-laws, and rules, the result of the hearing in Washington next Thursday is not likely to conflict with present plans.

THE PRODUCE MARKETS

A easier tone developed in butter on the country boards on Saturday, and in consequence the local market was weaker. Cowanville was 1 1/2 cents per lb. lower, offerings selling at 26 1/2 c. The outside demand is rather limited and local dealers are only asking for small lots.

Finest creamery 27 1/4 c to 28 c
Fine creamery 26 1/2 c to 27 1/4 c
Seconds 26 1/4 c to 26 1/2 c
Manitoba dairy 24 c to 25 c
Western dairy 23 c to 25 1/2 c

Cheese was also weaker on the country boards, prices declining 1/2 to 3/4 cents per lb. The quality of the make is poor and this is accounted for the weakness. English buyers are putting forward only a quiet demand, but spot business has been fairly good. Exporters expect to see higher prices in the near future.

Finest western, white 15 1/2 c to 16 1/2 c
Finest western, September, colored 15 1/2 c to 16 1/2 c
Finest eastern, white 15 1/2 c to 16 1/2 c
Finest eastern, colored 15 1/2 c to 16 1/2 c

Business in eggs is active, and an advance has been made in cold storage stock for export account and sales have been made at 29 to 30c per dozen. Fresh eggs for local consumption are also in good local demand and supplies are limited, the cold weather causing a falling off in production, which is seasonal.

Strictly fresh stock 38 c to 40 c
Selected cold storage 31 c to 32 c
No. 1 cold storage 29 c to 30 c
No. 2 cold storage 25 c to 26 c

The tone of the market for beans remains firm with a fair trade passing in three-pound pickers. The demand for other grades is rather quiet but as the offerings are not large prices are maintained.

Hand-picked beans, per bushel \$2.85 to \$2.95
Choice one-pound pickers 2.70 to 2.75
Three-pound pickers 2.50 to 2.55

A steady feeling prevails in the market for potatoes under a fair demand for car lots, and sales of Green Mountains were made at 60c per bag ex-track, and in a jobbing way at 75c to 80c per bag, ex-store.

SHIPMENTS OF ARGENTINE GRAIN.

The total shipments since the commencement of the cereal year (January 1) aggregate as follows:—

	1914.	1913.
Wheat	36,732,000	105,100,000
Corn	106,284,000	175,972,000
Oats	28,088,000	61,811,000
Linedseed	31,754,000	39,815,000

The visible supply of grain in Argentina is as follows:

	This week.	Week ago.	Year ago.
Wheat	390,000	400,000	200,000
Corn	7,500,000	7,900,000	2,380,000

THE HIDE AND SKIN MARKET

Inquiry Reported as Light, and No Sales Were Made—Tone, However, Was Firm—Previous Quotations Were Repeated.

(Exclusive Leased Wire to Journal of Commerce.)
New York, November 9.—The market for common dry hides lacked new features on Saturday. The inquiry was reported as light and no further sales were noted. The market remained firm, however, on the basis of 27 cents for Mountain Bogotas. Previous quotations were repeated for wet and dry salted hides. The city packer market was firm.

	Bid.	Asked.
Orinoco	27	27 1/2
Laguaira	27	27 1/2
Puerto Cabello	27	27 1/2
Caracas	27	27 1/2
Maracaibo	27	27 1/2
Guatima	26 1/2	27
Central America	27	27 1/2
Ecuador	23	24
Bogota	26	27
Vera Cruz	24	24
Tampico	24	24
Tabasco	24	24
Tuxpam	24	24
Dry Salted:		
Payta	15 1/2	16
Permanuco	15 1/2	16
Matamoros	15 1/2	16
Wet Salted:		
Vera Cruz	15	16
Mexico	15	16
Sanluis	14 1/2	15
Centruenos	14 1/2	15
Havana	15	16
City Slaughter, spreads	21	21
City Native steers, selected 60 or over	20 1/2	21
City Branded	18 1/2	19
City bull	18 1/2	19
City Cow, all weights	18	19
Country Slaughter steers, 60 or over	16 1/2	17
Country Slaughter cow	16 1/2	17
Country Slaughter bull, 60 or over	15	16 1/2

ADVANCE IN HIDES.
Chicago, November 9.—The closing of the Stock Yards has caused advance in the price of hides. Native steer hides now range 1 1/2 cent above a year ago at 21 to 21 1/2 cents, new high record.

ELEVATOR NOW STRAIGHT.

The straightening of the C. P. R. elevator in Transcona, Man., has been accomplished. It will be recalled that this million bushel cement elevator tipped to an angle of 27 degrees over a year ago. The straightening of the massive structure without any injury to the building is an unprecedented feat in engineering.

In bringing their mass of 20,000 tons to a vertical position there was not so much as a tiny crack in the structure. It now rests on 70 concrete piers, which go down to bed rock, and it is in better shape than it was before. It will be at once filled with grain.

PENICTON FRUIT RECORD.

With record of 27,000 cases of fruit packed during the season, the Western Packers, Ltd., Penicton, B.C., has finished its year's work. Last year's pack was in the neighborhood of 10,000 cases, so it can be seen that a marked increase in output has been achieved. It is understood that during the present season the company's plant at Kelowna packed over 70,000 cases, the entire pack for the two plants running close to 100,000 cases. At Penicton the company has handled over 700 tons of fruit, including peaches, apricots and plums. Tomatoes and apples formed a large portion of the Kelowna pack.

NEW YORK EXPORTS.

New York, November 9.—General exports of merchandise from New York Saturday total \$5,281,473, an increase of \$2,293,049, compared with Friday. Imports totalled \$1,241,618; decrease \$710,166.

CAUSE OF HIGH SUGAR PRICES IN BRITAIN

Main Sources of Continental Supplies
Have Been Cut off by War
in Europe

PRODUCE MORE SUGAR

Supplies Coming From Germany and Austria Have
Ceased and Other Sources are Totally Inadequate for Needs—No Reason Why Great
Britain Should Not Produce Sufficient,
Says Expert.

London, November 9.—There is one universal article of food which has advanced in price beyond all others since the war broke out, and that is sugar. Retail prices have practically doubled, and although there has lately been a slight downward tendency, prices still remain abnormally high. Last year we imported sugar, refined and unrefined, to the value of £23,004,327, which represents our normal requirements. No less than £10,835,482 worth of this was supplied by Germany, £4,440,173 by Austria-Hungary and £3,278,559 by Belgium and Holland. It will be seen, then, that about 50 per cent. of our total supply comes from countries which are within the war zone, and which have practically ceased for the time to be sugar exporting countries. Sugar is dear, therefore, because our principal sources of supply are no longer available.

At one time, as Mr. Martineau, the well known sugar expert, points out, we got our sugar from all over the world, especially from the West Indies and Mauritius. We imported it in its unrefined state, and thus gave work to a large number of sugar refiners. The production of beet sugar on the continent of Europe opened up a new source of supply, which, under ordinary conditions, need not have jeopardized our supplies from other quarters. But the artificial system introduced on the Continent in order to encourage the new industry upset its natural course. The production of beet sugar thus stimulated went on increasing, not because of the natural demand for sugar, but solely in order to get the bounty. The result was soon manifested in glutted markets and prices below the natural cost of production.

The supplies from Germany and Austria having ceased, our other supplies are totally inadequate for our needs. We fear, therefore, that for some considerable time to come high prices will rule. What we have to ensure is that we shall never again be dependent upon foreign, and possibly—as in the present case—unfriendly countries for our sugar supply. There is no reason whatever why we should not produce within the British Empire all the sugar we require.

COUNTRY DAIRY BOARDS.

Cowanville, November 7.—At the meeting of the board to-day night factories offered 201 packages of creamery butter, which was sold at 26 1/2 c. The board has adjourned for the season, and the annual meeting will be held in January. A year ago to-day the offerings were 308 packages, which brought 25 1/2 c to 26 1/2 c. St. Hyacinthe, November 7.—No sales to-day. Next meeting November 14.

Belleville, Ont., November 7.—Offerings, 1,150 boxes of white cheese. Sales, 900 at 14 1/2 c; balance refused 14 1/2 to 14 3/4 c.

London, Ont., November 7.—The offerings of cheese on the board to-day amounted to 1,230 boxes, of which 120 were sold at 14 1/2 to 14 3/4 c and the bidding for the balance ranged from 14 1/2 to 14 3/4 c.

NEW YORK SUGAR EXPERTS SUM UP SUGAR SITUATION IN CIRCULAR

If War Continues as Long as is Now Generally Expected, It Is Likely That Cuba May Participate to a Much Greater Extent in Such Business Than She Did in Supplying European Markets.

New York sugar experts say regarding the sugar situation:

"Total exports of refined sugar thus far this year aggregate 45,258 tons, against 20,410 tons last year, and exports from Cuba to countries other than United States up to September 30th amount to 299,338 tons, against 292,073 tons during the corresponding period a year ago. Of the sugar available for United States requirements, no appreciable amount has been so far diverted to other countries by reason of the European war.

"Although the probable shortages in the beet crops of Europe, owing to the war, do not materially affect the statistical position so far as the immediate future of sugar is concerned, as the world can for the present provide its needs from the stocks which prevailed prior to the conflict, the eventual shrinkage in supplies is bound to have its effect upon prices later on.

"The large quantity of Javass that already has been taken by the United Kingdom out of far eastern markets must be, at least to some extent, replaced sooner or later by other sugar. Apparently the United Kingdom met with little competition in securing the 500,000 tons of Java sugar recently purchased, and of which over 200,000 tons are already on the way. However, if the unfortunate war continues as long as is now generally expected, and Great Britain begins to provide for later requirements, it is quite likely that Cuba may then participate to a much greater extent in such business than she did in the 1,000,000 tons of various raws recently bought by Great Britain. Such a development in the more distant future would have a decided effect upon prices on this side of the Atlantic, and should arrival of the Javass now afloat for the United Kingdom be interfered with in any way, its influence would be brought much closer to hand."

LOCAL GRAIN AND FLOUR EXPORTS.

The following table shows the exports of grain and flour from the port of Montreal for the week ended November 7th, 1914:

	Wheat.	Oats.	Barley.	Flour.
bus.	bus.	bus.	bus.	bus.
Liverpool	64,000	.....	.....	4,145
London	316,922	34,059	.....	4,326
Glasgow	88,159	.....	8,233	5,700
Leth	416,667	.....	34,646	.....
Sunderland	63,813	.....	.....	.....
Genoa	269,345	.....	.....	.....
Torredel Annunziata	163,761	.....	.....	.....
Cardiff	210,189	.....	.....	.....
South Africa	17,946	.....	.....	21,234
Dunston	221,068	.....	.....	.....
Dublin	178,750	.....	.....	.....
Total	2,015,620	94,959	44,973	45,415

THE FRUIT MARKET

The local fruit market has been steady for the most part, although there has been an advance in apples. Fameuse advancing from 24 to 50 cents per barrel. Winter varieties are also stronger. Cranberries are declining steadily, while figs are stronger by about 1 cent. Other lines in the market are steady and, generally speaking, the demand is good.

The following list shows prevailing prices:—

California Fruits.
Winter Nellis Pears, per box 3.50
Easter Beurre Pears 3.00
Emperor Grapes in Crates 2.50
Special California Grapes in boxes, very fine, per keg 4.00

Oranges.
California "Sunkist" Late Valencia 176, 200, 216 and 250 size 3.75
California "Sunkist" Valencia 126 and 150 size 4.00

Lemons.
Extra Fancy, 300 size 6.00
"Gray" Brand 3.25
Finest selected 64 and 80 size 3.25

Apples.
McIntosh Reds, No. 1's 4.75
McIntosh Reds, No. 2's 3.75
Fameuse No. 1's 4.50 to 4.75
Fameuse No. 2's 3.75 to 4.00

Spies, Baldwins, Greenings and Russets
No. 1's 3.00 to 3.25
Spies, Baldwins, Greenings and Russets
No. 2's 2.50 to 2.75

Other varieties—winter varieties No. 1's 3.00
Other varieties—winter varieties No. 2's 2.65

Box Apples.
Special boxes fancy Greenings, per box 1.00
Cranberries.
Finest Cape Cod, per barrel 6.00

Onions.
Red Onions, 100 lb. to bag, per bag 1.75
Spanish Onions, in cases 3.25

Sweet Potatoes.
Kiln dried, best quality, per basket 1.50
Bananas.
Limon Jumbo, per bunch 2.00 to 2.50

Dates.
Halloweens, very fine quality, per lb. 5 1/2 c
"Dromedary" package stock, thirty packages to a case 10c
"Anchor" package stock, thirty packages to a case 8c

Figs.
Extra Fancy "Camel" brand 2 inch 10 lb. box, 14c
Extra Fancy "Camel" brand 1 1/2 inch 10 lb. box, 13c
Extra Fancy "Camel" brand, glove box, each 13 1/2 c

Nuts.
Peanut Bon Tons 13c
Cashew Chestnuts, per lb. 12c

NAVAL STORE MARKET

New York, November 9.—The naval stores market was quiet and steady, with a moderate hand to mouth buying noted in the trade.

Spot turpentine was held at 45 cents to 45 1/2 cents. Sales of round lots were not reported. Independents in the south are still selling around 42 cents at Savannah, though the demand there has been better. Tar is quiet at \$5.50 for kiln burned and re-refined. Pitch is maintained at \$4.00.

Rosins are nominally repeated at old quotations here. Common to good strained is held at \$2.70. The inquiry is routine and prices can be shaded.

The prices paid for rosin in Savannah Thursday are reported as 2 1/2 to 3 cents better than the previous day on two or three of the lower grades. One line of 491 barrels was bought by the Standard N. S. Company and two other lines, amounting to 278 barrels were bought by the Rosin and Turpentine Export Company at about the same figures.

The prices secured were about as follows: WV \$5.85; WG \$5.70; N \$5.25; M \$4.50; K \$2.80; I and H \$3.25 to \$3.30; G \$3.25 to \$3.27; F, E, D and B, \$2.25. The following were the prices of rosins in the yard: B, C, \$3.80; E, F, G, H, \$2.90; I, \$3.95; K, \$4.35; M, \$4.95; N, \$6.00; WG \$3.90; WV \$6.50.

Savannah, November 9.—Turpentine nominal 45 1/2. No sales, receipts 507; shipments 195; stocks, 30,937. Rosin, nominal, no sales, receipts 1,160; shipments 2,587; stocks 112,278. Quotations unchanged.

Liverpool, November 9.—Turpentine spirits 33s 6d. Wheat not quoted.

THE HOP MARKET

New York, November 9.—The Pacific coast hop markets remain quiet, with a notable absence of demand.

Growers remain firm in their views, however, particularly for the choice varieties, the offerings of which are scarce. State hops were quiet. The quotations below are between dealers in the New York market, and an advance is usually obtained from dealers to brewers:

States, 1914—prime to choice 30 to 32; medium to prime, 26 to 29. 1913—Nominal. Old olds, 8 to 9. Pacific, 1914—Prime to choice, 14 to 15; medium to prime to 12 to 15. 1913, 9 to 11. Old olds, 8 to 9. Bohemian, 1914—39 to 44.

LIVERPOOL GRAIN.

Liverpool, November 9.—Corn opened up 1/4 d from Saturday's close. Dec. 15 7 1/2 d, Jan. 6s 8d. Wheat not quoted.

DECLINE IN SUGAR FEATURE OF WEEK

Local Refiners Reduced Their Prices
by Thirty Cents Bringing Extra
Granulated to \$6.75

OTHER LINES STEADY

Tea Market is Very Firm and Few Shipments Are Coming Forward—Stocks in London are Small and Market is Very Firm—Dried Fruits in a Chaotic State.

The reduction in the price of local sugar, which was forecasted in these pages some months ago, materialized during the week and it amounted to 30 cents per 100 pounds and extended to all lines. At the new basis, the demand is keener and a good business is passing both for local and country consumption, refiners' stocks being fairly heavy and the orders light. New York reports refined at \$4.30 and raws at 3.21. It is not improbable, although any word as to the future is purely guesswork, to see still another reduction being made possibly within the month. Refiners are still working on the deliveries of high-priced raws, but these are nearing the bottom and the newer purchases will be at the reduced raw price. This will mean that Canadian refiners will be able to produce at less cost to themselves.

Molasses continues steady but is moving but slowly. The United States is still inquiring, but little business in this connection is reported. It is thought that higher prices will materialize for crop prospects in Barbadoes are not as good as they were last year.

Firmness marks the market for rice and tapioca and there have been no changes in prices to note. Business in coffee is slow and prices continue easy. There have been no shipments arrive but some are expected and dealers state that this will see still easier prices locally.

The market for tea is very firm and very few shipments are coming forward. London reports firmness for all varieties and stocks there are very small, owing to the closing of the Indian and Ceylon ports. They are open now and shipments are reported to be on the water, but dealers do not display much interest in those as they run too great risks. There has been very little buying on the water, where it is possible to deal in spot stocks.

Dried fruits are reported to be in a chaotic state and are very firm. Fruits from California are beginning to arrive quite freely, such as raisins, apricots, etc. New figs have arrived and prices are firm. Shipments from Spain are expected to arrive any day now.

The following table shows the prices which rule on the local market:—

SUGAR—		GROCERIES.	
Extra Granulated—			
100 lb. bags	.....	6.75	
20 lb. bags	.....	6.85	
2 and 5 lb. cartons	.....	7.05	
Second grade, in 100 lb. bags	.....	6.70	
Extra Ground—			
Barrels	.....	7.15	
25 lb. boxes	.....	7.75	
Powdered—			
Barrels	.....	6.95	
25 lb. boxes	.....	7.15	
25 lb. boxes	.....	7.35	
Crystal Diamonds—			
Barrels	.....	7.40	
100 lb. boxes	.....	7.50	
50 lb. boxes	.....	7.60	
Cartons and half cartons	.....	8.75	
Crystal Dominoes, cartons	.....	8.85	
Yellow—			
No. 1	.....	6.25	
No. 2	.....	6.45	
No. 3	.....	6.25	
Molasses—			
Barbadoes, puncheons	.....	0.36 to 0.38	per gallon.
Barbadoes, barrels	.....	0.39 to 0.41	
Barbadoes, half-barrel	.....	0.42 to 0.43	
Rice—			
Rice, grade B	.....	—3.50	per cwt.
Rice, grade C	.....	—3.40	
Imported Patna—			
Bags, 224 lbs.			